# The Aluminum Situation

## ECONOMICS AND STATISTICS — JUNE 1990

## INDUSTRY SHIPMENTS DOWN 4.1 PERCENT FROM 1989

Industry net shipments for the first four months of 1990, totaling 5,148 million pounds, decreased 4.1 percent from 1989 shipments of 5,370 million pounds.

Domestic shipments for four months of 1990, totaling 4,218 million pounds, were down 10.0 percent from the previous year total of 4,687 million pounds.

U.S. exports of aluminum ingot and mill products continue to be strong, totaling 930 million pounds during the first four months, increased 36.2 percent from the 1989 total of 683 million pounds.

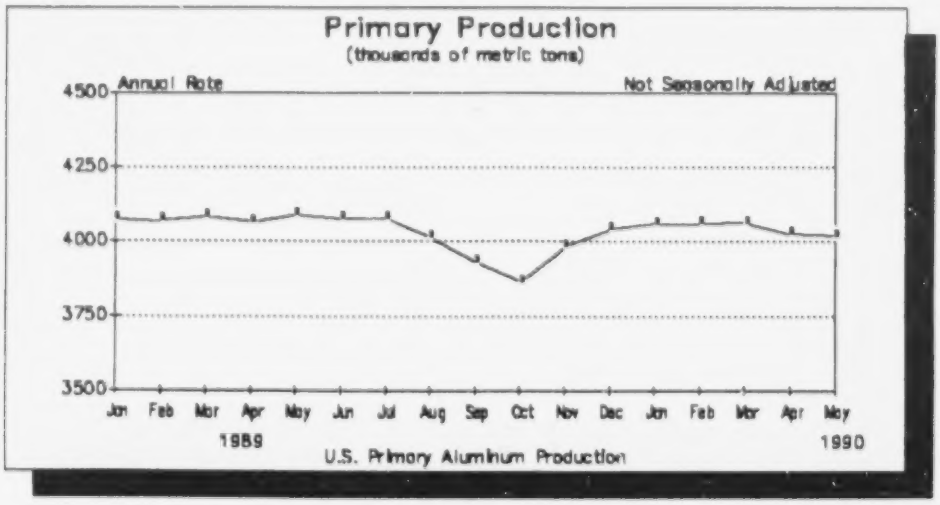
THRU APRIL 1990

| | 1990 4 Mos. | 1989 4 Mos. | % Change |
|---|---|---|---|
| Mill Products | 4,211 | 4,430 | -4.9 |
| Ingot | 937 | 940 | -0.3 |
| Total | 5,148 | 5,370 | -4.1 |
| Less Exports | 930 | 683 | 36.2 |
| Domestic Total | 4,218 | 4,687 | -10.0 |

Figures in Millions of Pounds
Source: Bureau of the Census
U.S. Department of Commerce

## PRIMARY PRODUCTION DAILY RATE ESTIMATED AT 11,007 METRIC TONS

U.S. primary aluminum production averaged an estimated 11,007 metric tons daily during May 1990. This compares with an average of 11,208 metric tons a day in May 1989 and 11,028 metric tons a day in April 1990. The annual rate of production in May 1990 was 4,017,696 metric tons compared with 4,090,802 metric tons in May 1989 and 4,025,135 metric tons in April 1990. Estimated production in May 1990 was 341,229 metric tons.

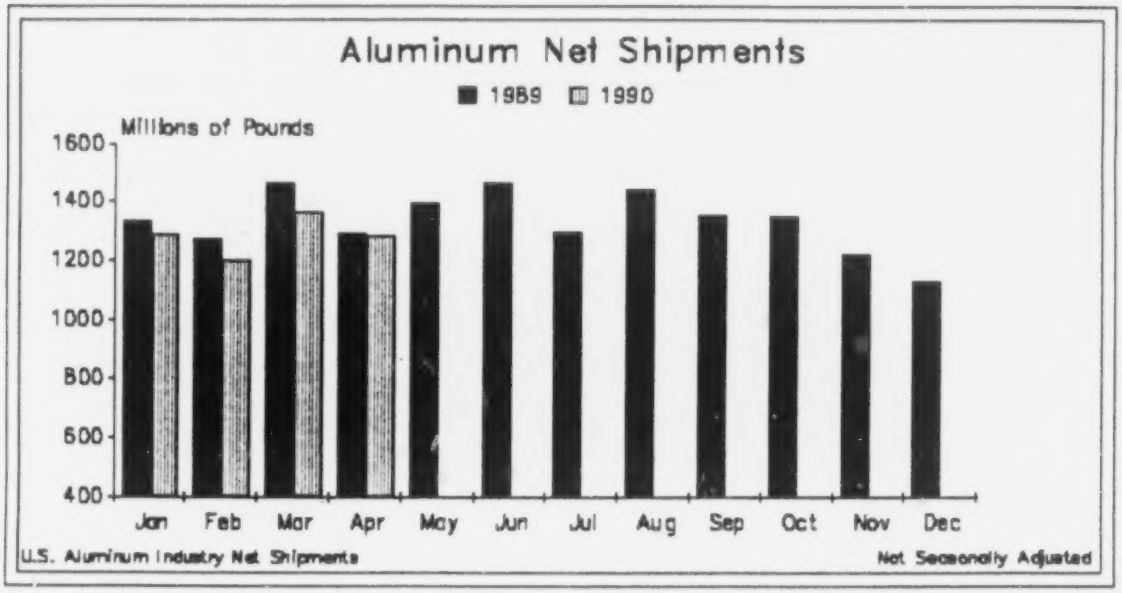



This report contains information reported to the Association by the domestic producers, which is aggregated by the Association. While the Association believes that its statistical procedures and methods are reliable, it does not warrant the accuracy or completeness of the data. All data contained herein are subject to revision.

Phone (202) 862-5100

# APRIL INDUSTRY SHIPMENTS REPORTED AT 1,289 MILLION POUNDS

Industry net shipments for April 1990 were reported at 1,289 million pounds, down 5.7 percent from revised March shipments of 1,367 million pounds. Year-to-date, total industry shipments totalled 5,148 million pounds, a decline of 4.1 percent from a previous year total of 5,370 million pounds. Domestic shipments for four months of 1990, totaling 4,218 million pounds, were down 10.0 percent from the previous year total of 4,687 million pounds. U.S. exports totaled 930 million pounds during the first four months, increasing 36.2 percent from the same period of 1989.

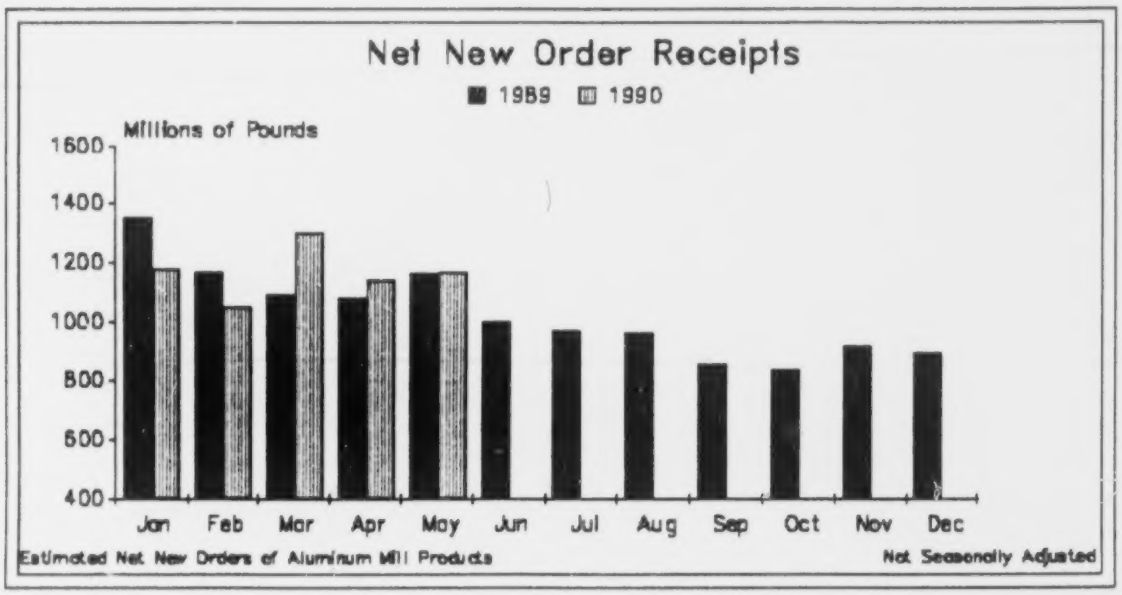



| NET SHIPMENTS (Millions of Pounds) | 1990 April | 1989 April | 1990 4 Mos. | 1989 4 Mos. | % Change 1990 vs 1989 |
|---|---|---|---|---|---|
| Sheet | 606.3 | 611.5 | 2,352.6 | 2,485.2 | -5.3 |
| Plate | 22.3 | 24.9 | 87.6 | 106.1 | -17.4 |
| Foil | 74.6 | 69.2 | 309.3 | 299.5 | 3.3 |
| Rod,Bar & Wire | 19.6 | 23.7 | 104.3 | 104.9 | -0.6 |
| Elec. Conductor | 51.6 | 57.6 | 199.5 | 230.1 | -13.3 |
| Extruded Shapes,Tube | 215.7 | 237.7 | 863.3 | 911.6 | -5.3 |
| Powder & Paste | 8.3 | 7.2 | 29.8 | 30.0 | -0.7 |
| Forgings & Impacts | 13.1 | 13.8 | 52.0 | 54.7 | -5.0 |
| Net Imports of Mill Products (Total) (a) | 55.3 | 48.3 | 212.4 | 207.9 | 2.2 |
| Total Mill Products | 1,066.7 | 1,093.9 | 4,210.7 | 4,429.9 | -4.9 |
| Ingot | 222.2 | 199.9 | 937.3 | 940.3 | -0.3 |
| TOTAL INDUSTRY SHIPMENTS | 1,288.9 | 1,293.7 | 5,148.0 | 5,370.2 | -4.1 |
| Exports | 231.4 | 161.4 | 929.8 | 682.8 | 36.2 |
| TOTAL DOMESTIC SHIPMENTS | 1,057.5 | 1,132.3 | 4,218.3 | 4,687.4 | -10.0 |

Source: Bureau of the Census, U.S. Department of Commerce - CIR M33-D
Note: Cummulative data includes revisions for previous periods
(a) Not included in product data above.

# MAY NEW ORDER RECEIPTS INCREASE 2.3 PERCENT

Estimated net new order receipts of aluminum mill products for the month of May totaling 1,168 million pounds, increased 2.3 percent from the previous month total of 1,141 million pounds. Year-to-date, net new orders totaling 5,844 million pounds, declined 0.3 percent from the five month 1989 total of 5,862 million pounds.




| ORDER RECEIPTS (Millions of Pounds) | 1990 May | 1989 May | 1990 5 Mos. | 1989 5 Mos. | % Change 1990 vs 1989 |
|---|---|---|---|---|---|
| Sheet & Plate, Other | 396.5 | 359.3 | 1,968.2 | 2,030.6 | -3.1 |
| Can Stock (a) | 356.6 | 391.7 | 1,799.6 | 1,725.4 | 4.3 |
| Foil | 88.9 | 91.2 | 466.6 | 416.0 | 12.2 |
| Bar, Rod & Wire | 45.7 | 37.5 | 244.2 | 183.7 | 32.9 |
| Electrical Conductor | 45.6 | 53.7 | 214.2 | 327.8 | -34.7 |
| Extruded Shapes & Tube | 207.1 | 206.5 | 1,036.7 | 1,058.7 | -2.1 |
| Powder & Paste | 16.9 | 10.3 | 59.7 | 51.9 | 15.0 |
| Forgings & Impacts | 10.6 | 14.4 | 54.8 | 68.2 | -19.6 |
| Total Mill Products | 1,167.9 | 1,164.6 | 5,844.0 | 5,862.3 | -0.3 |

Source: The Aluminum Association estimates total industry orders (including orders for imports) based on weekly reports by members of new orders (less cancellations) received. The Association expands these data to total industry utilizing an expansion ratio that attempts to reflect the relationship of reporters to the total industry. Weekly data are available on a subscription basis.
Note: Cummulative data includes revisions for previous periods.
(a) Domestic only. Orders for exports of Can Stock are included in Sheet and Plate, Other.

# PRODUCER INVENTORIES UP 48 MILLION POUNDS

Producer inventories increased in April 1990 to a reported total of 3,966 million pounds. This represents a 48 million pound increase from the revised March level of 3,918 million pounds.

Month-End Aluminum Producer Inventories
(Millions of Pounds)

| | Total | Ingot | Scrap | All Other |
|---|---|---|---|---|
| February | 4,035 | 1,429 | 688 | 1,918 |
| March | 3,918r | 1,380r | 532r | 2,006r |
| April | 3,966 | 1,365 | 575 | 2,026 |

Source: Bureau of the Census, U.S. Department of Commerce.

# CUSTOMER INVENTORIES REPORTED AT 32.9 DAYS

Respondents to the Association's Customer Inventory Survey reported that their Average Days Inventory as of April 30, 1990 was 33.3, down 1.2 percent from inventories reported at the end of March.

Month-End Aluminum Customer Inventories
(Average Number of Days)

| | |
|---|---|
| February | 33.0 |
| March | 33.3 |
| April | 32.9 |

Source: Aluminum Association - Customer Inventory Position Survey

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| U.S. IMPORTS & EXPORTS (Millions of Pounds) | | 1990 April | 1989 April | 1990* 4 Mos. | 1989 4 Mos. | % Change 1990 vs 1989 |
|---|---|---|---|---|---|---|
| Imports | Mill Products | 89.9 | 82.5 | 357.8 | 325.8 | 9.8 |
| | Ingot | 188.5 | 205.3 | 726.0 | 782.9 | -7.3 |
| | Total | 278.4 | 287.8 | 1,083.9 | 1,108.7 | -2.2 |
| | Scrap (+ dross) | 95.5 | 37.4 | 226.1 | 155.7 | 45.3 |
| | Grand Total | 373.9 | 325.2 | 1,310.0 | 1,264.4 | 3.6 |
| Exports | Mill Products | 94.5 | 87.9 | 352.2 | 350.5 | 0.5 |
| | Ingot | 136.9 | 73.6 | 577.5 | 332.3 | 73.8 |
| | Total | 231.4 | 161.4 | 929.8 | 682.8 | 36.2 |
| | Scrap | 97.5 | 106.2 | 407.2 | 441.7 | -7.8 |
| | Grand Total | 328.9 | 267.6 | 1,336.9 | 1,124.5 | 18.9 |
| Net Imports | | 45.0 | 57.6 | -26.9 | 139.9 | -119.3 |

Source: Bureau of the Census, U.S. Department of Commerce.
(*) Data may not be comparable to previous years due to changes in trade classifications effective January 1, 1989